



OFFICE OF RACIAL EQUITY AND SOCIAL JUSTICE


Marc Elrich  
County Executive

Tiffany Ward, Director  
Office of Racial Equity and Social Justice

**MEMORANDUM**

January 14, 2022

To: Jennifer Bryant, Director  
Office of Management and Budget

From: Tiffany Ward, Director  
Office of Racial Equity and Social Justice 

Re: Racial Equity Impact Assessment (REIA) for Supplemental Appropriation #22-46  
Montgomery County Conference Center

- I. **FINDING:** The Office of Racial Equity and Social Justice (ORESJ) finds that Supplemental Appropriation #22-46 is likely to advance racial equity and social justice among employees of the Montgomery County Conference Center. Funding provided by the County will allow maintenance and operations to continue in the Conference Center, thus minimizing employment and income disruptions for workers.
- II. **BACKGROUND:** The purpose of Special Appropriation #22-46 is to provide the Montgomery County Conference Center, managed by Marriott International, with working capital to support the continued maintenance and minimal operations of the Conference Center which have been challenged by the Covid-19 pandemic. To analyze the extent to which this Supplemental Appropriation will advance racial equity and social justice in the County, we focused on how employees and vendors might be affected by any disruptions in the Conference Center's operations.

Maintenance and preservation of the Conference Center will provide revenue to the County, support local and visiting businesses, and federal meeting and travel industry in the long-term—as the Covid-19 landscape improves—however, it is those who are employed or contracted by the Conference Center that face the most immediate impacts of any disruptions in the Conference Center's operations. A loss of employment during the pandemic has countless impacts on individuals, households, and entire communities. Even as unemployment rates have improved in the US overall, they've

risen for Black Americans and is twice the rate for White workers<sup>1</sup>, demonstrating persistent racial disparities in employment<sup>2</sup> regardless of education level<sup>3</sup>. And while the condition for Latino workers has somewhat improved, the recovery for Black and Latino workers has been slower than for any other group<sup>4</sup>. Based on 2019 data, in Montgomery County a slower recovery for Black and Latino workers would exaggerate existing disparities in unemployment rates, where the overall unemployment rate was 4%; while for Black residents it was 8%, native residents it was 9%, and Latino residents it was 5%<sup>5</sup>.

In Montgomery County, as is the case in many other parts of the country, ongoing labor market inequities<sup>6</sup> have concentrated people of color in many of the industries hardest hit by the pandemic, including hospitality and leisure. Therefore, preserving the Conference Center—as an employer—is more likely to benefit Black and Latino workers. This is confirmed by looking at the demographic composition of those employed by the Conference Center.

As of January 7, 2022, there are 123 employees working at the Conference Center, 107 are full-time workers and 16 are part-time workers.

#### **Montgomery County Conference Center Employees, January 7, 2022**

Race/Ethnicity	Count	Percent of Total Employees
Asian	24	20%
Black or African American	33	27%
Hispanic or Latino	46	37%
White	20	16%

Based on these demographics—an overrepresentation of Black and Latino workers compared to the overall populations—and preexisting racial and ethnic disparities in

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<sup>1</sup> Katia Dmitrieva. “US Labor Market Recovery in 2021 Masks Wider Inequalities”. Bloomberg Equality. January 7, 2022. Available at: <https://www.bloomberg.com/news/articles/2022-01-07/u-s-labor-market-recovery-in-2021-masks-wider-inequalities>

<sup>2</sup> Courtney Vinopal. “Black Americans were the only US group to see unemployment tick up in December.” Quartz. January 7, 2022. Available at: <https://qz.com/2110476/unemployment-among-black-workers-ticked-up-in-december-2021/>

<sup>3</sup> Rogeli Saenz, Corey Sparks, and Asiya Validova. “Inequities in Job Recovery During the COVID-19 Pandemic”. University of New Hampshire Carsey School of Public Policy. September 15, 2021. Available at: <https://carsey.unh.edu/publication/inequities-in-job-recovery-during-covid-19-pandemic>

<sup>4</sup> Courtney Vinopal.

<sup>5</sup> National Equity Atlas. “Unemployment rate by race/ethnicity: Montgomery, MD; 2019.” Policy Link. Available at: <https://nationalequityatlas.org/indicators/Unemployment#/?geo=0400000000024031>

<sup>6</sup> Kate Bahn and Carmen Sanchez Cummings. *Factsheet: U.S. occupational segregation by race, ethnicity, and gender*. Washington Center for Equitable Growth. July 2020. <https://equitablegrowth.org/factsheet-u-s-occupational-segregation-by-race-ethnicity-and-gender/>

wages and household income in the County, loss of employment due to closure of the Conference Center would likely widen racial disparities in household income. At the same time, a loss of employment is also likely to widen existing gaps in health insurance coverage in the County. Evidence suggests that health insurance coverage dipped as a result of the loss of employer-sponsored insurance coverage but has recovered for those with access to public programs<sup>7</sup>. However, even a brief lapse in coverage could be costly, particularly for those already overburdened with negative health and economic impacts during the pandemic.

These same factors also affect the vendors carrying out many of the essential activities proposed in this supplemental appropriation. Data is limited about the percentage of vendors that are owned by women or people of color, but presuming vendors are owned by and/or employ people of color, the Conference Center's ongoing operations will minimize disruptions to their business cashflow or income as well.

- III. **DATA ANALYSIS:** In Montgomery County, in 2017, there were racial disparities in household income as well as health insurance coverage.

#### Median Household income in Montgomery County, 2017

Race/Ethnicity	Median household income
Asian	\$109,147
Black or African American	\$72,587
Hispanic or Latino	\$71,847
White	119,426
Other	\$75,723

**Source:** Montgomery County, Maryland Office of Legislative Oversight Montgomery County Racial Equity Profile. Available here:

<https://www.montgomerycountymd.gov/OLO/Resources/Files/2019%20Reports/RevisedOLO2019-7.pdf>

#### Health Insurance Coverage in Montgomery County, 2017

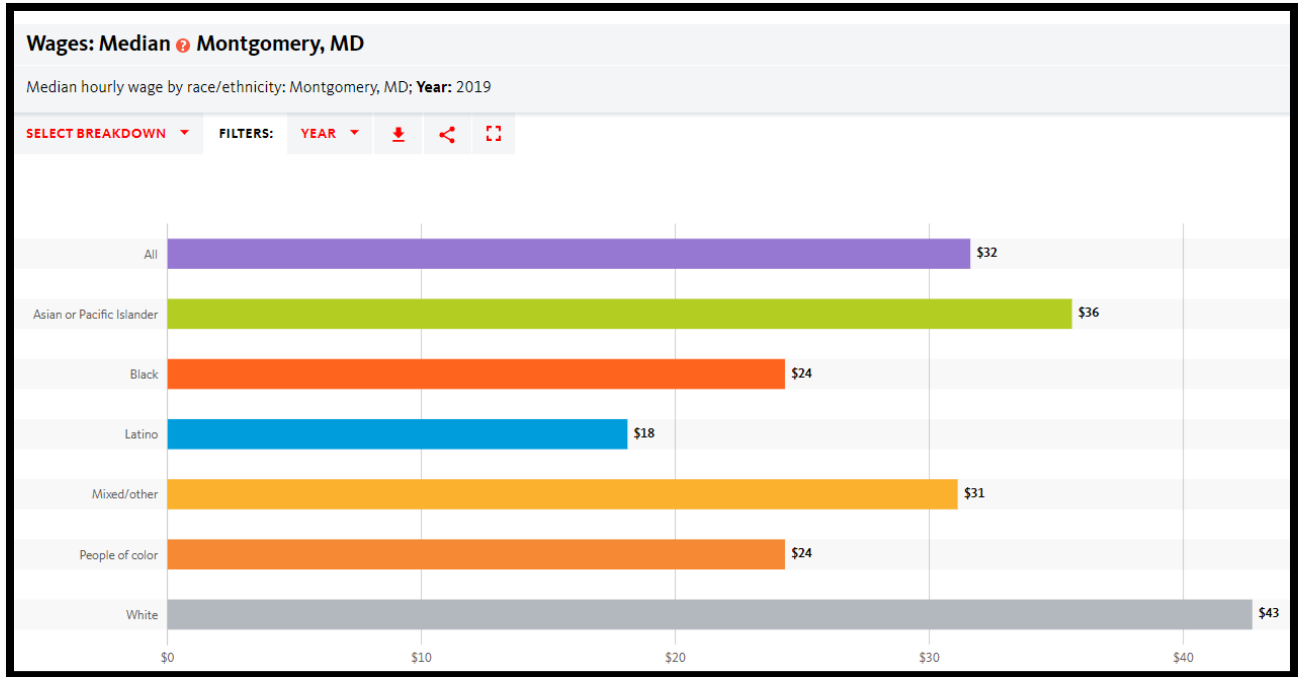
Race/Ethnicity	% Without Health Insurance
Asian	5.8%
Black or African American	7.3%
Hispanic or Latino	19.4%
White	3.8%
Other	26.6%

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<sup>7</sup> Jackie Ogburn. "New Study: Health Insurance Coverage Declined During the Pandemic." Duke University Sanford School of Public Policy. September 8, 2021. Available at: <https://sanford.duke.edu/story/new-study-health-insurance-coverage-declined-during-pandemic/>

**Source:** Montgomery County, Maryland Office of Legislative Oversight Montgomery County Racial Equity Profile. Available here:  
<https://www.montgomerycountymd.gov/OLO/Resources/Files/2019%20Reports/RevisedOLO2019-7.pdf>

In 2019, there were also wide disparities in median wages by race and ethnicity.



**Source:** Median hourly wages by race/ethnicity: Montgomery, MD; 2019. Available at:  
[https://nationalequityatlas.org/indicators/Wages\\_Median#/?geo=04000000000024031](https://nationalequityatlas.org/indicators/Wages_Median#/?geo=04000000000024031)

cc: Ken Hartman, Director, Office of Strategic Partnership, Office of the County Executive